

held one time or, for an event scheduled to be held each year for a period of years under an event contract, or an event support contract, one time each year for the period of years, after considering, through a highly competitive selection process, one or more sites that are not located in this state;

(2) a site selection organization selects a site in this state as:

(A) the sole site for the event; or

(B) the sole site for the event in a region composed of this state and one or more adjoining states;

(3) the event is held not more than one time in any year; ~~and~~

(4) the amount of the incremental increase in tax receipts determined by the department under Subsection (b) of this section equals or exceeds \$1 million, provided that for an event scheduled to be held each year for a period of years under an event contract or event support contract, the incremental increase in tax receipts shall be calculated as if the event did not occur in the prior year; *and*

(5) *not later than the 30th day before the first day of the event, a site selection organization submits a plan to prevent the trafficking of persons in connection with the event to the office of the attorney general and the chief of the Texas Division of Emergency Management.*

(a-4) The office of the attorney general may:

(1) distribute the plan required under Subsection (a-1)(5) of this section to appropriate law enforcement agencies and to the office of the governor; and

(2) publish the plan on the office's Internet website.

SECTION 3. The change in law made by this Act applies only to a request submitted by a local organizing committee, endorsing municipality, or endorsing county under Section 5A, Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), on or after the effective date of this Act. A request submitted under Section 5A before that date is governed by the law in effect on the date the request is submitted, and that law is continued in effect for that purpose.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

Passed by the House on May 8, 2017: Yeas 122, Nays 21, 1 present, not voting; the House concurred in Senate amendments to H.B. No. 3294 on May 25, 2017: Yeas 119, Nays 22, 1 present, not voting; passed by the Senate, with amendments, on May 22, 2017: Yeas 20, Nays 11.

Filed without signature June 12, 2017.

Effective September 1, 2017.

CREATION AND OPERATIONS OF HEALTH CARE PROVIDER PARTICIPATION PROGRAMS IN CERTAIN COUNTIES

CHAPTER 611

H.B. No. 3398

AN ACT

relating to the creation and operations of health care provider participation programs in certain counties.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subtitle D, Title 4, Health and Safety Code, is amended by adding

Chapter 293A to read as follows:

**CHAPTER 293A. COUNTY HEALTH CARE PROVIDER PARTICIPATION
PROGRAM IN CERTAIN COUNTIES INCLUDING PORTION OF CONCHO RIVER**

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 293A.001. DEFINITIONS. *In this chapter:*

- (1) "Institutional health care provider" means a nonpublic hospital that provides inpatient hospital services.*
- (2) "Paying hospital" means an institutional health care provider required to make a mandatory payment under this chapter.*
- (3) "Program" means a county health care provider participation program authorized by this chapter.*

Sec. 293A.002. APPLICABILITY. *This chapter applies only to a county that:*

- (1) is not served by a hospital district or a public hospital;*
- (2) has a population of more than 100,000; and*
- (3) includes a portion of the Concho River.*

Sec. 293A.003. COUNTY HEALTH CARE PROVIDER PARTICIPATION PROGRAM.

(a) A county health care provider participation program authorizes a county to collect a mandatory payment from each institutional health care provider located in the county to be deposited in a local provider participation fund established by the county. Money in the fund may be used by the county to fund certain intergovernmental transfers and indigent care programs as provided by this chapter.

(b) The commissioners court of a county may adopt an order authorizing the county to participate in the program, subject to the limitations provided by this chapter.

SUBCHAPTER B. POWERS AND DUTIES OF COMMISSIONERS COURT

Sec. 293A.051. LIMITATION ON AUTHORITY TO REQUIRE MANDATORY PAYMENT. *The commissioners court of a county may require a mandatory payment authorized under this chapter by an institutional health care provider in the county only in the manner provided by this chapter.*

Sec. 293A.052. MAJORITY VOTE REQUIRED. *The commissioners court of a county may not authorize the county to collect a mandatory payment authorized under this chapter without an affirmative vote of a majority of the members of the commissioners court.*

Sec. 293A.053. RULES AND PROCEDURES. *After the commissioners court of a county has voted to require a mandatory payment authorized under this chapter, the commissioners court may adopt rules relating to the administration of the mandatory payment.*

Sec. 293A.054. INSTITUTIONAL HEALTH CARE PROVIDER REPORTING; INSPECTION OF RECORDS. *(a) The commissioners court of a county that collects a mandatory payment authorized under this chapter shall require each institutional health care provider located in the county to submit to the county a copy of any financial and utilization data required by and reported to the Department of State Health Services under Sections 311.032 and 311.033 and any rules adopted by the executive commissioner of the Health and Human Services Commission to implement those sections.*

(b) The commissioners court of a county that collects a mandatory payment authorized under this chapter may inspect the records of an institutional health care provider to the extent necessary to ensure compliance with the requirements of Subsection (a).

SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

Sec. 293A.101. HEARING. *(a) Each year, the commissioners court of a county that collects a mandatory payment authorized under this chapter shall hold a public hearing on the amounts of any mandatory payments that the commissioners court intends to require during the year.*

(b) Not later than the fifth day before the date of the hearing required under Subsection (a), the commissioners court of the county shall publish notice of the hearing in a newspaper of general circulation in the county.

(c) A representative of a paying hospital is entitled to appear at the public hearing and be heard regarding any matter related to the mandatory payments authorized under this chapter.

Sec. 293A.102. DEPOSITORY. (a) The commissioners court of each county that collects a mandatory payment authorized under this chapter by resolution shall designate one or more banks located in the county as the depository for mandatory payments received by the county.

(b) All income received by a county under this chapter, including the revenue from mandatory payments remaining after discounts and fees for assessing and collecting the payments are deducted, shall be deposited with the county depository in the county's local provider participation fund and may be withdrawn only as provided by this chapter.

(c) All funds under this chapter shall be secured in the manner provided for securing county funds.

Sec. 293A.103. LOCAL PROVIDER PARTICIPATION FUND; AUTHORIZED USES OF MONEY. (a) Each county that collects a mandatory payment authorized under this chapter shall create a local provider participation fund.

(b) The local provider participation fund of a county consists of:

(1) all revenue received by the county attributable to mandatory payments authorized under this chapter, including any penalties and interest attributable to delinquent payments;

(2) money received from the Health and Human Services Commission as a refund of an intergovernmental transfer from the county to the state for the purpose of providing the nonfederal share of Medicaid supplemental payment program payments, provided that the intergovernmental transfer does not receive a federal matching payment; and

(3) the earnings of the fund.

(c) Money deposited to the local provider participation fund may be used only to:

(1) fund intergovernmental transfers from the county to the state to provide:

(A) the nonfederal share of a Medicaid supplemental payment program authorized under the state Medicaid plan, the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), or a successor waiver program authorizing similar Medicaid supplemental payment programs; or

(B) payments to Medicaid managed care organizations that are dedicated for payment to hospitals;

(2) subsidize indigent programs;

(3) pay the administrative expenses of the county solely for activities under this chapter;

(4) refund a portion of a mandatory payment collected in error from a paying hospital; and

(5) refund to paying hospitals the proportionate share of money received by the county that is not used to fund the nonfederal share of Medicaid supplemental payment program payments.

(d) Money in the local provider participation fund may not be commingled with other county funds.

(e) An intergovernmental transfer of funds described by Subsection (c)(1) and any funds received by the county as a result of an intergovernmental transfer described by that subsection may not be used by the county or any other entity to expand Medicaid eligibility under the Patient Protection and Affordable Care Act (Pub. L. No. 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Pub. L. No. 111-

152).

SUBCHAPTER D. MANDATORY PAYMENTS

Sec. 293A.151. MANDATORY PAYMENTS BASED ON PAYING HOSPITAL NET PATIENT REVENUE. (a) Except as provided by Subsection (e), the commissioners court of a county that collects a mandatory payment authorized under this chapter may require an annual mandatory payment to be assessed on the net patient revenue of each institutional health care provider located in the county. The commissioners court may provide for the mandatory payment to be assessed quarterly. In the first year in which the mandatory payment is required, the mandatory payment is assessed on the net patient revenue of an institutional health care provider as determined by the data reported to the Department of State Health Services under Sections 311.032 and 311.033 in the fiscal year ending in 2015 or, if the institutional health care provider did not report any data under those sections in that fiscal year, as determined by the institutional health care provider's Medicare cost report submitted for the 2015 fiscal year or for the closest subsequent fiscal year for which the provider submitted the Medicare cost report. The county shall update the amount of the mandatory payment on an annual basis.

(b) The amount of a mandatory payment authorized under this chapter must be uniformly proportionate with the amount of net patient revenue generated by each paying hospital in the county. A mandatory payment authorized under this chapter may not hold harmless any institutional health care provider, as required under 42 U.S.C. Section 1396b(w).

(c) The commissioners court of a county that collects a mandatory payment authorized under this chapter shall set the amount of the mandatory payment. The amount of the mandatory payment required of each paying hospital may not exceed six percent of the paying hospital's net patient revenue.

(d) Subject to the maximum amount prescribed by Subsection (c), the commissioners court of a county that collects a mandatory payment authorized under this chapter shall set the mandatory payments in amounts that in the aggregate will generate sufficient revenue to cover the administrative expenses of the county for activities under this chapter, to fund an intergovernmental transfer described by Section 293A.103(c)(1), and to pay for indigent programs, except that the amount of revenue from mandatory payments used for administrative expenses of the county for activities under this chapter in a year may not exceed the lesser of four percent of the total revenue generated from the mandatory payment or \$20,000.

(e) A paying hospital may not add a mandatory payment required under this section as a surcharge to a patient.

Sec. 293A.152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. The county may collect or contract for the assessment and collection of mandatory payments authorized under this chapter.

Sec. 293A.153. INTEREST, PENALTIES, AND DISCOUNTS. Interest, penalties, and discounts on mandatory payments required under this chapter are governed by the law applicable to county ad valorem taxes.

Sec. 293A.154. PURPOSE; CORRECTION OF INVALID PROVISION OR PROCEDURE. (a) The purpose of this chapter is to generate revenue by collecting from institutional health care providers a mandatory payment to be used to provide an intergovernmental transfer described by Section 293A.103(c)(1).

(b) To the extent any provision or procedure under this chapter causes a mandatory payment authorized under this chapter to be ineligible for federal matching funds, the county may provide by rule for an alternative provision or procedure that conforms to the requirements of the federal Centers for Medicare and Medicaid Services.

SECTION 2. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

Passed by the House on April 27, 2017: Yeas 143, Nays 1, 3 present, not voting; passed by the Senate on May 19, 2017: Yeas 30, Nays 1.

Filed without signature June 12, 2017.

Effective June 12, 2017.

SALE OF CERTAIN STATE PROPERTY IN BRAZORIA COUNTY BY THE TEXAS BOARD OF CRIMINAL JUSTICE

CHAPTER 612

H.B. No. 3402

AN ACT

relating to the sale of certain state property in Brazoria County by the Texas Board of Criminal Justice.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. (a) Not later than June 30, 2018, the Texas Board of Criminal Justice shall sell the real property described by Subsection (d) of this section if the board receives a bid for the fair market value of the property.

(b) The Texas Board of Criminal Justice shall sell the property as provided by Section 496.0021, Government Code. The General Land Office shall negotiate and close a transaction involving the real property described by this section on behalf of the board using the procedures under Section 31.158, Natural Resources Code. The sale shall exclude the mineral interests in and under the property, and the deed shall contain a provision expressly reserving the state's interest in and right to remove all oil, gas, and other minerals in and under the real property described by Subsection (d) of this section.

(c) In this section, "proposed reservoir tract" means the 2,200 acres sold in Brazoria County by the Texas Board of Criminal Justice in 2011.

(d) The Texas Board of Criminal Justice shall sell the real property described as follows: Approximately 22 acres, more or less, along the un-named tributary to Oyster Creek within the 2,682 acre tract or parcel of land conveyed to the Prison Commission of the State of Texas as recorded in Book 145, Page 307 of the Deed Records Brazoria County, Texas lying within the Stephen F. Austin League No 8, Abstract 25 in Brazoria County, Texas near the City of Angleton, Texas. The approximate boundaries of the 22 acres are: starting at the confluence of the un-named tributary to Oyster Creek and the Oyster Creek channel which is located approximately 673 feet north of the proposed reservoir tract, extending north approximately 3,660 feet along the un-named tributary to Oyster Creek and extending east and west of the centerline of said tributary approximately 130 feet; And, approximately 274 acres along Oyster Creek, more or less, being part of the 2,682 acre tract or parcel of land conveyed to the Prison Commission of the State of Texas as recorded in Book 145, Page 307 of the Deed Records of Brazoria County, Texas lying within the Stephen F. Austin League No. 8, Abstract 25; and the Stephen Richardson League, abstract 122; and the William Harris League, abstract 71 in Brazoria County, Texas near the City of Angleton, Texas. The approximate boundaries of the 274 acres are: from the confluence of the un-named tributary to Oyster Creek and the Oyster Creek channel, located approximately 673 feet north of the northeast corner of the proposed reservoir tract to the northeast corner of the proposed reservoir tract and extending east and west of the centerline of the Oyster Creek Channel approximately 220 feet; from the northeast corner of the proposed reservoir tract to the intersection of the center line of Oyster Creek with the eastern boundary of the old railroad grade road,